

REMARKS

STATUS OF CLAIMS

All of original claims 15-18 and claims 19-33, added by amendment, are pending in the application. All then pending claims were rejected under several arguments in a non-final office action of 3/22/2002 and a final office action of 1/5/2004 relying on U.S. Pat. No. 5,710,887 ("Chelliah"). Applicant responded to those arguments of rejection in responses filed 6/20/2003, 10/24/2003 and 4/20/2004. After filing a Request for Continued Examination, the Office withdrew its previous rejections in an office action dated 1/3/2005, and rejected all of claims 15-18 and 19-33 under 35 U.S.C. §§ 102(e) and 103 relying on U.S. Pat. Publ. 2001/0011250 ("Paltenghe") and official notice. Applicant traversed all the claims rejections of that action in a response dated June 15, 2005. The Office in an office action mailed August 18, 2005 then withdrew the claims rejections based on the Paltenghe reference and offered new rejections under 35 U.S.C. §§ 102(e) and 103 relying on U.S. Pat. 5,966,697 ("Ferguson").

APPEAL

This response is accompanied by a Notice of Appeal and the required fee. Pursuant to the Pre-Appeal Brief Conference Pilot Program announced in the Official Gazette on July 12, 2005, this response is also accompanied by a Pre-Appeal Brief Request for Review and a statement of reasons. Claims 15-18 have been the subject of four rejections, and claims 19-33 have been the subject of three rejections, which is in excess of that required by 37 CFR 1.191. Applicants have now completely rebutted three sets of references put forward by the examiner in the pending claims, after requesting continued examination in the case. Applicants request every effort in disposing of this case with properly allowable claims.

ARGUMENTS

Applicant now addresses each item of the latest office action, and has enumerated the arguments for convenient reference.

1. Acknowledgment is made of the examiner's consideration of the applicant's prior arguments.
2. 35 U.S.C. § 102(e) is cited in support of arguments of rejection made below.
3. Claim 15 is rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Pat. No. 5,966,697 ("Ferguson"). It is alleged that Ferguson discloses all the steps recited by claim 15.

Applicant traverses this rejection on grounds that at least steps A, B, D, E and F are not disclosed by Ferguson. As to step A, Ferguson does not disclose an E-Commerce portal, nor the use thereof. Rather, Ferguson uses a "main shopping program" written specially for the shopping activity (col. 9 line 15) that displays a list of merchants (col. 8 lines 1-4). A list displayed in the context of a custom program not accessible over a network is not a "portal." An example of an E-Commerce portal appears in figure 1 of the instant application, described on pages 10 to 12 and in connection with the method shown in figure 2 and described on pages 16 to 20.

As to step B, as Ferguson does not disclose an E-Commerce portal, it cannot disclose linking therefrom to a vendor commerce system. As to step E, as steps A, B and D are not disclosed, repetition of those steps is also not disclosed.

As to step F, Ferguson does not disclose the segmenting and aggregation of product order items, nor does it disclose a plurality of back-end processing systems. The preferred operation of Ferguson is illustrated in figure 2, whereby a customer's entire selections are transferred from one merchant system to another, and the selections appear to be maintained separately for each

merchant. Furthermore, because a customer's entire selections are transferred from one merchant to another, there is no need to aggregate the selections. A reader of Ferguson would therefore not identify a need to segment and aggregate the items ordered for a particular vendor, as they are maintained separately in their own logical containers. In the alternate embodiments described in col. 4 lines 49-57, col. 8 lines 32-34 and col. 9 lines 33-37 the storage of customer selections in memory is not disclosed to be different.

As to step D, Ferguson does not disclose the transmission of a packet from a vendor commerce system to a common transaction processing system. As the system of Ferguson utilizes a custom software application, it could be implemented to transmit user selection data from the user's computer rather than a merchant computer. Ferguson does not say how selections arrive at a "checkout processor" in the alternative embodiment, and it is not inherent that selections or transaction packets would be transmitted from a vendor commerce system. Furthermore, by utilizing the transmission of transaction packets from the vendor commerce systems to a common vendor commerce system, a customer can visit several merchants at the same time and commit selections in any order, as opposed to the serial visiting/committing procedure disclosed by Ferguson.

As to the examiner's particular allegations as to the contents of Ferguson, Figure 1 does not disclose an E-Commerce portal nor linking thereof, but rather a user computer, merchant computers and a checkout processor coupled by the Internet. Figure 2 discloses a merchant's "product data", but does not disclose a local catalog of products, browsing for products, or selecting a product for purchase. Figure 3 discloses a method of shopping, but does not disclose the transmission of transaction packets, from a vendor commerce system to a common transaction processing system or other object. Col. 4 lines 49-57 discloses that "the user's selection data may be stored in ... [a] checkout processor", however Ferguson neglects to say how that selection data arrives at the checkout processor. Figure 2 does not depict the steps A-D, and indeed does not depict a repetition of any steps but rather a transference of data. The

discussion at col. 11 lines 27-35 does disclose a repetition of steps, but not of steps A-D. Figure 8 does not explicitly nor inherently disclose the segmentation and aggregation of product order items by vendor. Col. 2 lines 55-57 lightly discloses a method of authorizing sales by credit card and transmitting receipts, but does not disclose the processing of product order items between a transaction processing system and a plurality of back-end processing systems:

4. Claim 16 is rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Pat. No. 5,966,697 ("Ferguson"). It is alleged that Ferguson discloses all the steps recited by claims 15 and 16.

Applicant traverses this rejection on grounds as stated for claim 15, and further that Ferguson does not disclose vendor-specific processing rules, customer-specific rules, nor the querying of databases containing those rules for processing a transaction processing system. Applicant repeats the arguments made in his last response:

The meaning of processing rules and runtime payment logic are given in the specification:

The local workflow and purchasing rules 50, 54 are generally specific to each vendor, and set forth particular rules that may affect how the specific commerce system deals with certain transactions. For example, a particular customer 42 may only be authorized to make a purchase of less than \$5,000, and if the items stored in the local basket 52 exceed this amount, then authorization from another individual is required. In this situation, the system can be programmed to send an email or other notification to the other individual to obtain authorization. Other, more complicated workflow and purchasing rules may be implemented within each vendor system. (Page 10, lines 10-17 of specification.)

Turning now to the specific transaction processing steps, at step 96, the ICC transaction processor 12 queries the merchant database 18 in order to obtain the merchant-specific

transaction processing rules. Each merchant (or vendor) can have their own specific rules setup for determining how their transactions are processed by the common back-end system 12. In this manner, although the ICC transaction processor 12 is common to all of the participating vendor commerce systems 34, 36, 38, each vendor commerce system can have a customized back-end processing scheme. Merchant-specific data processing rules stored in the merchant database 18 may include (1) merchant authentication information or a merchant account number; (2) preferred payment processor information, such as what payment verification system to use for transactions; (3) order fulfillment instructions; (4) accounting/billing instructions, and (5) other merchant-specific rules, including, optionally, certain merchant-specific runtime scripting algorithms. (Page 21, lines 3-13)

After the ICC transaction processor 12 has obtained the merchant-specific rules, at step 98 it queries the customer database 58 in order to obtain any customer-specific transaction processing rules. Although these customer-specific rules may take a variety of forms, in the preferred embodiment of the invention, these rules will generally include a customer account number (for verification purposes) and one or more runtime scripts for providing interactive feedback about the processed transactions to the customer's system 42. For example, the customer system 42 may be operating some type of enterprise system software coupled to a purchasing system for tracking purchased items. In this situation, a runtime script can be stored at the customer database 58 and processed by the ICC transaction processor 12 at the time that relevant transaction items are processed- In this manner, information regarding actual purchases that are committed by the system 10 can be transmitted back to the customer's system 42 in a format that is compatible with the customer's purchasing software system. Other types of runtime scripting algorithms could certainly be implemented between the ICC transaction processor 12 and the customer's system 42. (Page 22 line 9 to page 23 line 3.)

At step 2, the payment proxy 16 executes the runtime payment logic 62 in order to determine how to process the particular transaction authorization request. The runtime payment logic 62 can take many forms and can operate many functions, in addition to

simply determining where to route the particular transaction request. For example, various business rules particular to a certain merchant could be executed by the runtime payment logic. These business rules may take the form of scripting information that is stored in the associated merchant database 18. As described above, the merchant database 18 may include a variety of runtime scripts for instructing the E-Commerce system how to process the transactions for a particular merchant. It is the payment proxy's runtime payment logic 62 that executes these stored scripting commands to, for example, determine which payment verification system 22, 24 is operating most efficiently, or most inexpensively, etc., and then to route the transaction authorization based on the results of this determination. Many other real-time processing functions could also be implemented by the runtime payment logic 62, such as, for example, applying additional calculations to a particular order; interfacing information with an associated order fulfillment system; sending transaction alerts or other messages to an e-mail or pager system when certain products are purchased, certain price thresholds are exceeded, etc.; or to interface with other databases to either receive or update legacy data. (Page 25 line 15 to page 26 line 10.)

From the above, it is clear that processing rules are instructions that permit custom treatment of merchants/vendors or customers, and provide for behavior in the transaction prescribed for or by particular merchants or customers. Rules are not mere information, such as account numbers and billing addresses, because rules define the functionality of the system with respect to the particular merchant or customer. Likewise runtime payment logic provides processing that determines how to process transaction requests for particular merchants and/or customers.

Ferguson provides no rule-based custom treatment for merchants/vendors or customers. The examiner's reference to col. 8 lines 44-57 speaks only to product attributes. The reference to col. 12 lines 55-67 speaks merely of the entry of customer billing data, such as an address and telephone number. That is not a rule.

5. Claim 17 is rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Pat. No. 5,966,697 (“Ferguson”). It is alleged that Ferguson discloses a system including (1) a payment proxy interface for communicating information to and from the transaction processor, (2) runtime payment logic for determining, in real-time, how to process a particular transaction request transmitted to the payment proxy from the transaction processor; and (3) a plurality of payment connection modules coupled to the runtime payment logic for interfacing the transaction request to one of a plurality of payment verification systems. (The arguments of rejection refer to claim 16, as they did in the previous office action, but applicant will presume a reference to claim 17 was intended as claim 16 does not recite these elements.)

Applicant traverses this rejection on grounds that Ferguson does not disclose a payment proxy interface, runtime payment logic nor a plurality of payment connection modules as claimed. The absence of disclosure of rules and runtime payment logic was argued above and in the applicant's previous response. Applicant repeats the arguments made in his last response with respect to a payment proxy interface and system:

The description of a payment proxy interface may be found generally between page 23 line 19 and page 27 line 8 of the specification, a portion of which is reproduced here:

FIG. 4 is a logical block diagram showing the preferred interaction between the ICC transaction processor 12 and the payment proxy system 16 shown in FIG. 1. The payment proxy system 16 provides a universal payment verification interface between the ICC transaction processor 12 and a plurality of payment verification systems 22, 24. Although described in the context of FIG. 1, the payment proxy system 16 can be used with a variety of different frameworks and different E-Commerce systems, and is not limited to the system shown in FIG. 1.

Preferably, the payment proxy system 16 includes a front-end payment proxy interface module 60, runtime payment logic 16, and a plurality of payment connection modules 64.

As shown in FIG, 1, in the preferred framework, the payment proxy system 16 is also coupled to a merchant database 18 and a transaction capture database 20. The elements of the payment proxy system 16 are preferably implemented via software instructions stored within the payment proxy system 16, but could, alternatively be implemented in hardware or a mix of hardware and software instructions. The software instructions for carrying out the functionality of the payment proxy could be programmed using a variety of different programming techniques and using a variety of different programming languages as those of skill in this art will appreciate.

The basic purpose of the payment proxy system 16 is to provide a universal payment verification interface between one or more transaction processing systems (or other E-Commerce systems) and a plurality of payment verification hosts. In this manner, flexible and efficient payment verification services can be provided to a plurality of E-Commerce systems, without any need for the E-Commerce systems to know the details of communicating with and effecting transactions with the payment verification systems. Such a universal E-Commerce payment verification interface is unknown in the prior art.

...

Having determined how to process the particular transaction authorization request, the payment proxy 16, at step 3, then sends the transaction to the proper payment connection module 64. The payment connection modules 64 each provide interface programming for instructing the payment proxy 16 how to communicate with the plurality of payment verification systems 22, 24. At step 4, the transaction authorization is routed to the proper payment verification system. The payment processor then authenticates the transaction request at step 5 and transmits back to the payment proxy system 16 a failure code (indicating that the transaction was not authorized), or an "auth-code" (indicating that the transaction was authorized.) The payment proxy 16 then routes the code back to the ICC transaction processor 12 (or other E-Commerce system) at step 6, which, at step 7, then reacts to the code by, for example, sending a message to the customer indicating whether the transaction has failed or has been authorized.

Using the specification as a guide, a payment proxy includes a universal payment verification interface between one or more transaction processing systems (or other E-Commerce systems) and a plurality of payment verification hosts, thereby presenting a universal transactional interface to E-Commerce systems. A payment proxy provides at least three functions: 1- receiving transaction authorization requests through a common interface, 2- routing transaction authorizations to the proper payment verification system, and 3- receiving and returning a failure code or an authorization code indicating failure or success.

Ferguson makes no such disclosure, in Figure 8 or elsewhere.

6. Claim 18 is rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Pat. No. 5,966,697 ("Ferguson") with allegations that Ferguson discloses all the limitations of that claim.

Applicant traverses this rejection on the following grounds:

First, Ferguson does not disclose a payment proxy system as argued in the response to the rejection of claim 17.

Second, Ferguson does not disclose the use of a shopping basket local to a vendor commerce system and a global shopping basket located at a transaction processor. At most, Ferguson discloses a shopping basket containing selections from several vendors located at one of a merchant computer, a checkout processor or a vendor computer (col. 4 lines 49-57).

Third, Ferguson does not disclose an E-Commerce portal, nor a system linked to an E-Commerce portal, as argued in the response to the rejection of claim 15.

7. Claim 19 is rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Pat. No. 5,966,697 (“Ferguson”) with allegations that Ferguson discloses all the limitations of that claim.

Applicant traverses this rejection on the grounds that Ferguson does not disclose a merchant database containing merchant-specific transaction processing rules, as argued in the response to the rejection of claim 16. Furthermore, Ferguson does not disclose a transaction processor in combination with a plurality of back-end processing systems.

8. Claim 20 is rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Pat. No. 5,966,697 (“Ferguson”) with allegations that Ferguson discloses all the limitations of claims 19 and 20.

Applicant traverses this rejection on the grounds stated for claim 19 and further stated in response to the rejection of claim 15, that Ferguson does not disclose an E-Commerce portal nor any coupling thereto.

9. Claim 21 is rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Pat. No. 5,966,697 (“Ferguson”) with allegations that Ferguson discloses all the limitations of claims 19 and 21.

Applicant traverses this rejection on grounds as stated for claim 19 and the further grounds stated in response to the rejection of claim 18, that Ferguson does not disclose the use of a shopping basket local to a vendor commerce system and a global shopping basket located at a transaction processor.

10. Claim 22 is rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Pat. No. 5,966,697 (“Ferguson”) with allegations that Ferguson discloses all the limitations of claims 19, 21 and 22.

Applicant traverses this rejection on the grounds stated for claims 19 and 21 and further for claim 16 that Ferguson does not disclose rules of any kind, nor a customer directory stored at a vendor commerce system.

11. Claim 23 is rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Pat. No. 5,966,697 ("Ferguson") with allegations that Ferguson discloses all the limitations of claims 19 and 23.

Applicant traverses this rejection on the grounds stated for claim 19 and further for step D of claim 15, that Ferguson does not disclose the transmission of a packet from a vendor commerce system to a common transaction processing system nor a transaction interface.

12. Claim 24 is rejected under 35 U.S.C. § 103(a) as being anticipated by U.S. Pat. No. 5,966,697 ("Ferguson") in view of U.S. Pat. No. 5,629,981 ("Nerlikar") with allegations that Ferguson discloses all the limitations of claims 19 and Nerlikar discloses the limitations recited in claim 23.

Applicant points to the following instructions in the Manual of Patent Examining Procedure:

"To establish a prima facie case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations." MPEP 8th ed. 3rd rev. § 2142, page 2100-134

Applicant traverses this rejection on the grounds that a prima facie case of obviousness has not been made, specifically that not all the combined references teach or suggest all the claim

limitations, that there is no motivation to combine Ferguson with Nerlikar, and further that there is no reasonable expectation of success.

Applicant has argued above for claim 23 that the elements of that claim are not disclosed by Ferguson. Ferguson does not teach a packet containing an order header including customer authentication information in combination with order items or a time stamp. Rather, the reference at col. 5 lines 4-15 teaches the transference of selection data only (as exemplified in Table 1). As the alternative embodiment storing the selection data at the checkout processor is only briefly disclosed, Ferguson does not tell us whether the selection data is accompanied by other data in that embodiment. For example, if a network connection were maintained between the customer's computer and the checkout processor through the shopping activity, there would be no need to transmit customer authentication information in a packet. Ferguson therefore does not teach a transaction packet including customer and merchant authentication information in combination with order entry items, or a time stamp. The header disclosed in claim 31 of Nerlikar is not an order header, but rather a header containing a user identification number (see fig. 4 and corresponding disclosure.) A user identification number, as used in the Nerlikar system, confirms the identity of the person submitting the secure information to the second party. The order header according to claim 24 contains customer authentication information, which is not the same as user authentication information. For example, a customer might be a business or organization. Combining Ferguson with Nerlikar would result in a system usable only by individuals for themselves, and not by employees, associates, friends or family of a customer. In any event, Nerlikar does not teach merchant authentication information, nor does Ferguson.

The motivation offered by the examiner fails to explain why one of ordinary skill in the art would think to combine Ferguson with Nerlikar; indeed the motivation confusingly points to "TCP-IP" without a reference, but not to Nerlikar. Although the TCP/IP protocol defines headers of a kind, it does not define a packet with an order header, nor customer or merchant authentication information, nor order entry items, nor does the TCP/IP protocol make such a suggestion.

Furthermore, the TCP/IP protocol is unencrypted and utilizes a datagram methodology, and contrary to the examiner's statement would not result in providing transaction information in a secure manner due to the susceptibilities of interception and loss of datagrams across an Internet Protocol network.

There is further no motivation to combine, nor a reasonable expectation of success in the combination of, Ferguson and Nerlikar. Ferguson teaches a shopping system. Nerlikar teaches a system of authenticating parties through the use of RFID tags or badges. Requiring any of the entities (customer, merchant or checkout processor) of Ferguson to obtain an RFID badge would only encumber the shopping process by requiring the participating parties to secure physical RFID tags prior to the shopping activity, and would not result in a system that is more efficient or secure than that provided by a system that uses only credit card numbers.

13. According to the Office Action Summary, claim 25 is rejected. The office action fails, however, to offer any grounds for rejection. Applicants traverse this rejection on grounds as stated for claim 19, and further that the Office has acted in violation of 35 U.S.C. § 132(a), which requires a statement of the reasons for this rejection.

14. Claims 26-33 are rejected under 35 U.S.C. § 103(a) as being anticipated by U.S. Pat. No. 5,966,697 ("Ferguson") in view of the collection of articles called "Clearcommerce."

The collection of articles entitled "Clearcommerce" is a series of press releases of "Outreach Communications" (of which Julie Ferguson was president) and "ClearCommerce Corporation." As might be expected for press releases, the Clearcommerce articles contain almost no implementation-level information. The examiner's allegation that "the specifics of the proxy payment ... are highlighted in Clearcommerce ... teach the features of the instant claims" is grossly inadequate, particularly in light of the absence of any particular references to disclosure the claims limitations therein. Applicant can find no disclosure of the additional claims

limitations included in claims 26-33, and calls upon the examiner to meet his duty under 37 CFR 1.104(c)(2) to provide the “pertinence of each reference, if it is not apparent, ... clearly explained.” Namely, the limitations of claims 19 and 26 not recited by either reference include (1) a plurality of back-end processing systems, (2) a back-end processor interface for processing and routing stored transaction requests to the plurality of back-end systems, (3) merchant-specific processing rules, (4) a database storing those rules, and (5) a plurality of payment verification systems.

As to claims 26 and 30, applicants traverse this rejection on the grounds stated for claim 19, further that Clearcommerce does not disclose the limitations of claim 19, and further that a plurality of payment verification systems are not disclosed by Ferguson or Clearcommerce.

With regard to claims 27, 28 and 29, nether Ferguson (as argued for claim 17) nor Clearcommerce discloses a payment proxy system or a payment proxy interface. A checkout processor alone without the elements described above and in the specification is not a proxy payment system.

As to claims 31 and 33 applicants traverse this rejection on the grounds stated for claim 19, further that nether Ferguson (as argued for claim 16) nor Clearcommerce disclose processing rules, customer or merchant specific, nor a database that stores such.

As to claim 32, applicants traverse this rejection on the grounds stated for claim 19, further that nether Ferguson (as argued for claim 16) nor Clearcommerce disclose runtime scripting information.

Furthermore, the office action fails to point out for claims 26 and 29-33 any reference disclosing the additional elements of those claims. Furthermore, the examiner's references to a “proxy payment processor” bear no clear relation to “a payment proxy system” and “a payment proxy

interface.” Applicant therefore traverse this rejection for claims 26-33 on grounds that the Office has breached the obligation required by 35 U.S.C. § 132(a) of a statement of the reasons for this rejection.

15. Requirement for a statement under 37 CFR 1.133.

The Office sent an Interview Summary mailed 9/6/2005, which described the following contact with the Office:

Everett D. Robinson called Examiner Fadok to request the correct patent number to the “Ferguson” reference incorrectly referred to on page 2 of the office action of 8/18/2005, shortly after that office action was received. The examiner did not answer, and Mr. Robinson presented the question to Examiner Fadok's voicemail. Examiner Fadok left Mr. Robinson a voicemail with the correct number of 5,966,697. No other information or issues were discussed. Other than the receipt of an Interview Summary including a corrected page 2, no further communication has been made between Examiner Fadok and Mr. Robinson to this date.

The Interview Summary mailed 9/6/2005 includes a requirement for a written reply, referring to MPEP § 713.04. That section refers to 37 CFR 1.133(b), which reads “In every instance where reconsideration is requested in view of an interview with an examiner, a complete written statement of the reasons presented at the interview as warranting favorable action must be filed by the applicant.” The contact with Examiner Fadok was not an “interview.” The contact did not involve a request for reconsideration, but rather a request for clarification of the grounds of rejection. For that, no statement is required by 37 CFR 1.133(b) to be filed, and applicant requests reconsideration of the requirement to file a statement under that section.

This paper is intended to be fully responsive to the office actions of 8/18/2005 and 9/5/2005.

Respectfully submitted this ____ day of November, 2005.

Everett D. Robinson
Reg. No. 50,911
PARSONS, BEHLE & LATIMER
201 South Main Street, Suite 1800
P.O. Box 45898
Salt Lake City, UT 84145-0898
(801) 536-6724

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